# GOVERNMENT OF INDIA
# AGRICULTURE
# LOK SABHA

UNSTARRED QUESTION NO:5729
ANSWERED ON:30.08.2001
IMPACT OF GLOBALISATION ON AGRICULTURE
CHANDRA BHUSHAN SINGH;RATTAN LAL KATARIA;TUFANI SAROJ

**Will the Minister of AGRICULTURE be pleased to state:**

(a) whether the Government propose to review those provisions of the World Trade Organisations agreement which are against the interests of the farmers of the country;

(b) if so, the details of such provisions; and

(c) the steps being taken or proposed to be taken by the Government to do away with such provisions?

## Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a)&(b): The WTO Agreement on Agriculture envisages a rule based predictablemultilateral trading system in agricultural commodities. In accordance with the mandate under Article 20 of the WTO Agreement on Agriculture, negotiations for further progressive liberalization in order to establish a fair and market oriented agricultural trading system have begun from 1st January, 2000. Experience in implementation of the agreement has, however, shown that the Agreement on Agriculture has not brought about the anticipated deepening of world trade in agriculture or improved returns to farmers in developing countries or greater transparency in agricultural trade. A number of provisions of the Agreement on Agriculture appear to contain ambiguities leading to the possibility of varying interpretations and thus, problems in implementation. Persistent trade distortions on account of high tariffs, excessive domestic support and export subsidies by developed countries are also factors, which have hindered the expansion of exports from developing countries. Keeping in view all these factors as well as the peculiar nature of agricultural activity in the country, India`s objectives in the negotiations are 2-fold:-

? To protect its food and livelihood security concerns and to protect all domestic policy measures taken for poverty alleviation, rural development and rural employment.

? To create opportunities for expansion of agricultural exports by securing meaningful market access in developed countries.

(c): The initial Indian proposals submitted to the WTO on 15.1.2001, place emphasis onincreasing the flexibility enjoyed by developing countries for providing domestic support to the agricultural sector under the special and differential provisions as also further strengthening of trade defence mechanisms with a view to ensuring the food security and to take care of livelihood concerns. Demands also include substantial and meaningful reduction in tariffs including elimination of peak tariffs and tariff escalation, substantial reductions in domestic support and elimination of all forms of export subsidies by the developed countries so as to get meaningful market access opportunities.